

NOVEMBER 3, 1978

THIS WEEK NO. 44

EDITORS: WATCH FOR LATER UPDATE ON REINHARDT SPEECH AT UNESCO,
PARIS

ANNCR:

"THIS WEEK."

FROM THE VOICE OF AMERICA, THE HIGHLIGHTS OF THE WEEK GONE
BY...A LOOK AT SOME OF THE EVENTS, A CROSS-SECTION OF THE IDEAS,
AND THE VOICES OF SOME OF THE PEOPLE WHO MADE NEWS DURING THE
PAST SEVEN DAYS. YOUR NARRATOR IS-----.

NARR:

THE UNITED STATES THIS WEEK ANNOUNCED SEVERAL MAJOR STEPS
TO HALT THE DOLLAR'S DECLINE ON WORLD MONEY MARKETS. THE CARTER
ADMINISTRATION SAID IT WILL INTERVENE IN WHAT IT CALLED A FORCE-
FUL AND COORDINATED MANNER IN THE INTERNATIONAL MONETARY FIELD
TO SUPPORT THE U.S. CURRENCY.

IN ANNOUNCING THE NEW MEASURES, PRESIDENT CARTER INSISTED
THAT THE BASIC TRENDS AFFECTING THE STRENGTH OF THE DOLLAR ARE
IN THE RIGHT DIRECTION:

TAPE: CUT ONE -- CARTER

"THE CONTINUING DECLINE IN THE EXCHANGE VALUE OF THE DOLLAR
IS CLEARLY NOT WARRANTED BY THE FUNDAMENTAL ECONOMIC SITUATION.
THAT DECLINE THREATENS ECONOMIC PROGRESS AT HOME AND THE
SUCCESS OF OUR ANTI-INFLATION PROGRAM. AS A MAJOR STEP IN THE
ANTI-INFLATION PROGRAM, IT IS NOW NECESSARY TO ACT TO CORRECT
THE EXCESSIVE DECLINE IN THE DOLLAR WHICH HAS RECENTLY OCCURRED."

NARR:

THE COMPREHENSIVE CORRECTIVE ACTIONS ANNOUNCED BY THE
PRESIDENT INVOLVE COOPERATION WITH THE GOVERNMENTS AND CENTRAL
BANKS OF WEST GERMANY, JAPAN AND THE SWISS NATIONAL BANK. U.S.
TREASURY SECRETARY MICHAEL BLUMENTHAL SAID THE UNITED STATES
HAS ARRANGED FUNDING TOTALLING THIRTY THOUSAND MILLION DOLLARS
IN THE CURRENCIES OF THESE THREE COUNTRIES FOR ITS PARTICIPATION

IN COORDINATED MARKET INTERVENTION ACTIVITIES. HE ALSO SAID THE UNITED STATES TREASURY WILL INCREASE ITS GOLD SALES BEGINNING NEXT MONTH.

IN NEW YORK PRESIDENT CARTER'S MOVE TO DEFEND THE DOLLAR WAS WELL RECEIVED ON WALL STREET AS STOCK PRICES MADE A RECORD GAIN FOR A SINGLE DAY OF TRADING THIS WEEK AFTER A SEVERE SLUMP IN THE LAST FEW WEEKS. AND IN JAPAN, MISTER CARTER'S ANNOUNCEMENT WAS GREETED WITH PRAISE BY JAPANESE POLITICAL AND FINANCIAL CIRCLES WHILE THE U.S. CURRENCY STAGED A STRONG REBOUND AGAINST THE YEN. VOA CORRESPONDENT EDWARD CONLEY HAS DETAILS FROM TOKYO:

TAPE: CUT TWO -- CONLEY

"OFFICIAL REACTION IN JAPAN TO MISTER CARTER'S MOVE WAS HIGHLY ENTHUSIASTIC. PRIME MINISTER TAKEO FUKUDA, SPEAKING AT A CABINET MEETING, TERMED THE U.S. PRESIDENT'S DECISION A BOLD ACTION. HE SAID JAPAN WOULD FULLY COOPERATE IN WASHINGTON'S EFFORTS TO BOLSTER THE DOLLAR -- A STATEMENT ECHOED BY BANK OF JAPAN PRESIDENT TEIKICHIRO MORINAGA. FINANCE MINISTER TATSUO MURAYAMA SAID THE U.S. PACKAGE INCLUDES ALL THE DOLLAR-BOLSTERING STEPS JAPAN HAS ASKED THE UNITED STATES TO TAKE."

NARR:

AND IN LONDON AND OTHER EUROPEAN MONEY MARKETS, THE U.S. DOLLAR STAGED A DRAMATIC RECOVERY FOLLOWING PRESIDENT CARTER'S ANNOUNCEMENT.

(OPT) IN OTHER ECONOMIC NEWS, THE DIRECTOR OF THE CARTER ADMINISTRATION'S ANTI-INFLATION PROGRAM, ALFRED KAHN, EARLIER THIS WEEK REJECTED CHARGES BY THE COUNTRY'S MAJOR LABOR FEDERATION -- THE AFL-CIO -- THAT THE PLAN IS UNFAIR TO WORKERS. SPEAKING ONLY MOMENTS AFTER AFL-CIO PRESIDENT GEORGE MEANY'S ATTACK ON THE PROGRAM, MISTER KAHN MADE NO SECRET OF HIS DISAPPOINTMENT OVER THE CRITICISM. BUT HE ALSO SAID HE BELIEVES MOST AMERICANS -- INCLUDING INDIVIDUAL UNION MEMBERS AND OFFICIALS -- WILL SUPPORT THE PROGRAM:

TAPE: CUT THREE -- KAHN

"APART FROM A FEW QUICK RESPONDERS AND CHEAP CYNICS, I SEE THE RESPONSE OF THE AMERICAN PEOPLE AS BEING PAINFULLY CONSCIOUS OF THE PROBLEM AND READY TO COOPERATE, PROVIDED THEY BELIEVE THAT THE PROGRAM IS FAIR AND WILL BE ADMINISTERED FAIRLY. AND I READ THAT AS INCLUDING INDIVIDUAL MEMBERS OF UNIONS AND THE LEADERS OF THE INDIVIDUAL UNIONS WHO WILL DO THE ACTUAL BARGAINING." (END OPT)

NARR:

STILL THE ECONOMIC NEWS THIS WEEK WAS NOT TOTALLY ENCOURAGING AFTER THE U.S. LABOR DEPARTMENT'S FIGURES SHOWED THAT WHOLESALE PRICES JUMPED LAST MONTH BY NINE-TENTHS OF ONE PERCENT -- THE SAME HIGH INCREASES AS IN SEPTEMBER. THAT TRANSLATES INTO AN INFLATION RATE OF NEARLY ELEVEN PERCENT A YEAR IN WHOLESALE COSTS. AND IT SUGGESTS THAT THERE WILL BE NO EASING OF U.S. INFLATIONARY PRESSURES IN THE FINAL MONTHS OF THIS YEAR.

IN A RELATED DEVELOPMENT, THE U.S. BALANCE OF PAYMENTS FIGURES RELEASED BY THE COMMERCE DEPARTMENT SHOW A THIRD QUARTER DEFICIT WHICH IS SLIGHTLY LESS THAN THE PREVIOUS QUARTER, EVEN THOUGH THE FALLING DOLLAR WAS SAID TO HAVE MADE U.S. GOODS MORE ATTRACTIVE TO FOREIGN BUYERS.

IN MIDDLE EAST DEVELOPMENTS THIS WEEK, BOTH ISRAEL AND EGYPT REPORTED PROGRESS ON THEIR PEACE TREATY NEGOTIATIONS. EGYPTIAN AMBASSADOR USAMA AL-BAZ SAID THE DIFFERENCES ARE BEING NARROWED, AND HE ADDED THAT HE EXPECTS AGREEMENT ON THE TREATY TO COME VERY SOON. ISRAELI FOREIGN MINISTER MOSHE DAYAN EXPRESSED SIMILAR OPTIMISM. HE SAID AGREEMENT HAS ALMOST BEEN REACHED AND THAT THE TWO SIDES SHOULD BE ABLE TO TELL IN THE NEXT FEW DAYS WHERE THEY STAND ON THE POSSIBILITY OF REACHING A FINAL PEACE TREATY.

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AGREED TO THE WAGE DEMANDS LAST WEEK BUT REFERRED THE POLITICAL DEMANDS TO THE GOVERNMENT. MORE THAN HALF OF IRAN'S CIVIL SERVICE IS NOW ON STRIKE SEEKING HIGHER PAY AND MORE POLITICAL FREEDOM. MEANWHILE THE WAVE OF ANTI-GOVERNMENT PROTEST DEMONSTRATIONS CONTINUED THROUGHOUT THE COUNTRY.

LATER IN THE WEEK, IN WHAT WAS SEEN AS AN ATTEMPT TO STEM THE TIDE OF GROWING POLITICAL UNREST AND STRIKES, THE IRANIAN GOVERNMENT ANNOUNCED THAT ALL POLITICAL PRISONERS WOULD BE FREED DECEMBER TENTH. (OPT) VOA CORRESPONDENT CHARLES WEISS HAS DETAILS:

TAPE: CUT SIX -- WEISS:

"JUSTICE MINISTER HUSSEIN NAJAFI ANNOUNCED OVER THE STATE RADIO THAT ALL POLITICAL PRISONERS WOULD BE GIVEN THEIR FREEDOM DECEMBER TENTH -- INTERNATIONAL HUMAN RIGHTS DAY. HE DID NOT INDICATE HOW MANY PEOPLE WOULD BE FREED OR SAY WHETHER THEY ALSO INCLUDE PERSONS CONVICTED OF POLITICALLY-MOTIVATED VIOLENCE OR JUST THOSE JAILED FOR INCITEMENT. THE AMNESTY WAS ANNOUNCED AS REPORTS FLOWED INTO THE CAPITAL OF MORE ANTI-GOVERNMENT DEMONSTRATIONS AND OF STRIKES, SOME OF THEM PROMPTED BY WAGE DEMANDS -- SOME SEEKING ONLY POLITICAL CONCESSIONS."

NARR:

EARLIER IN THE WEEK, PRESIDENT CARTER SAID FRIENDSHIP AND ALLIANCE WITH IRAN IS ONE OF THE MOST IMPORTANT BASES OF U.S. FOREIGN POLICY. AND HE SAID THAT THE PROGRESSIVE ADMINISTRATION OF SHAH REZA PAHLEVI IS VALUABLE TO THE ENTIRE WESTERN WORLD THE PRESIDENT ADDED THAT HE WAS THANKFUL FOR WHAT HE CALLED THE SHAH'S MOVE TOWARD DEMOCRACY -- WHILE SAYING HE IS ALSO AWARE THAT THIS EFFORT IS OPPOSED BY SOME WHO HE SAID DON'T LIKE DEMOCRATIC PRINCIPLES.

THE UGANDAN GOVERNMENT OF IDI AMIN IS CLAIMING VICTORY THIS WEEK IN A BORDER WAR WITH TANZANIA ON THE WESTERN SIDE OF LAKE VICTORIA. KAMPALA RADIO ALSO SAID UGANDAN FORCES HAD PUSHED SOUTH INTO TANZANIA TO THE KAGERA RIVER AND THAT THE RIVER IS NOW THE NEW SOUTHERN BOUNDARY OF UGANDA. THE SPARSELY POPULATED

AREA KNOWN AS THE KAGERA SALIENT HAS LONG BEEN THE SUBJECT OF A DISPUTE BETWEEN UGANDA AND NEIGHBORING TANZANIA.

DIPLOMATIC SOURCES IN NAIROBI BELIEVE THE BORDER WAR RESULTED FROM A MUTINY OF UGANDA'S SIMBA BATTALION WHICH WAS STATIONED IN SOUTHERN UGANDA. THE SIMBA TROOPS ARE SAID TO HAVE TRIED TO FLEE TO TANZANIA AND TO HAVE BEEN INTERCEPTED BY UGANDAN TROOPS LOYAL TO PRESIDENT AMIN. THE LOYAL TROOPS ARE SAID TO HAVE PURSUED THE MUTINEERS INTO TANZANIA WHERE THEY ENCOUNTERED TANZANIAN FORCES. THESE SOURCES SAY THERE HAS BEEN NO INDICATION THE FIGHTING WAS INITIATED BY EXILED UGANDANS LOYAL TO THE DEPOSED PRESIDENT MILTON OBOTE, BUT THAT IT IS LIKELY THE UGANDANS TOOK THE OPPORTUNITY WHILE ACROSS THE FRONTIER TO STRIKE AGAINST ANY EXILE GROUPS IN THE AREA.

MEANWHILE, TANZANIAN PRESIDENT JULIUS NYERERE HAS VOWED TO HIT BACK AT UGANDAN FORCES, AS WE HEAR FROM VOA CORRESPONDENT BOB CHANCELLOR IN NAIROBI:

TAPE: CUT SEVEN -- CHANCELLOR

"REFERRING TO PRESIDENT AMIN, PRESIDENT NYERERE SAID "THIS MAN IS A BARBARIAN. HE HAD KILLED SO MANY PEOPLE IN UGANDA. WE MUST HIT BACK AT HIM UNTIL WE HAVE FINALLY GOTTEN RID OF THIS SNAKE IN OUR HOUSE." THE TANZANIAN LEADER URGED THE PEOPLE TO REMAIN CALM AND CONTINUE NORMAL ACTIVITIES. REPORTS FROM DAR ES SALAAM SAY THE TANZANIAN GOVERNMENT IS CONSIDERING A GENERAL MOBILIZATION IN ORDER TO REGAIN ITS EXTREME NORTHWEST AREA TO THE WEST OF LAKE VICTORIA."

NARR:

IN OTHER AFRICAN DEVELOPMENTS THIS WEEK, AFRICAN COUNTRIES AT THE UNITED NATIONS HAVE CALLED ON THE SECURITY COUNCIL TO IMPOSE ECONOMIC SANCTIONS ON SOUTH AFRICA FOR REFUSING TO COOPERATE WITH U.N. PLANS FOR THE INDEPENDENCE OF NAMIBIA. THE AFRICANS HAVE BEEN CIRCULATING A ROUGH DRAFT OF A RESOLUTION CALLING FOR STRICT ECONOMIC SANCTIONS AGAINST PRETORIA. BUT IT IS FELT THAT PUSHING THE RESOLUTION TO A VOTE WILL RESULT IN VETOES FROM THE WESTERN MEMBERS OF THE COUNCIL.

THE WESTERN MEMBERS INDICATE THEY DO NOT BELIEVE THAT SOUTH AFRICA IS DEFYING THE U.N.. WHILE THEY WEREN'T ABLE TO TALK PRETORIA OUT OF HOLDING ELECTIONS IN NAMIBIA IN DECEMBER, THEY DID WIN A SOUTH AFRICAN ACCEPTANCE OF THE PLANNED SPONSORED ELECTIONS LATER. THE WESTERN MEMBERS OF THE SECURITY COUNCIL ARGUE THAT THE INTERNAL SOUTH AFRICAN-SPONSORED ELECTIONS CAN BE IGNORED AND THAT THE U.N. CAN GO AHEAD WITH ITS PLAN FOR NAMIBIAN INDEPENDENCE. CONSULTATIONS BETWEEN THE FIVE WESTERN MEMBERS AND LEADING AFRICAN DELEGATIONS WERE HELD THROUGHOUT THE WEEK. BUT ACCORDING TO MOST INDICATIONS LITTLE PROGRESS HAS BEEN ACHIEVED. THE AFRICANS ARE REPORTEDLY DEEPLY SPLIT ON HOW TO RESPOND TO THE WESTERN POSITION.

ANNCR:

AND THOSE ARE SOME OF THE STRIPES THAT MADE HEADLINES THIS WEEK. YOUR NARRATOR WAS _____. JOIN US AGAIN NEXT--WHEN THE VOA TAKES A LOOK AT THE NEXT 7 DAYS OF THE WEEK.

WJL/RS/PY/DL